



BOARD OF COMMISSIONERS' Work Session

Tuesday, October 2, 2018, 1:00 P.M.

Willowbank Office Building
420 Holmes Street, Room 146
Bellefonte, PA 16823

I. CALL TO ORDER

The public work session of the Centre County Board of Commissioners was called to order at 1:00 PM on October 2, 2018 by Chair of the Board, Michael Pipe.

In attendance were Commissioner Michael Pipe, Commissioner Mark Higgins, Commissioner Steven Dershem, Administrator Margaret Gray, Director of Financial Management Tom Martin, and Executive Assistant Natalie Bird.

II. 2019 REQUESTED COUNTY BUDGET

Margaret Gray stated the purpose of the meeting is to describe where they are at with the development of the 2019 County Budget, requests that were received, and recommendations by the Board. She has not had the opportunity to review many of the numbers and will see them with the Board for the first time. The Board was provided with an overview of where the County stands with the budget for 2018 and department requests for 2019 in a workbook.

Tom Martin provided a presentation for the 2019 Requested County Budget, department requests were received in September.

A. Revenue Summary

Proposed real estate taxes for 2019 are \$27.7 million, which is an increase of \$100,000 over the 2018 budget and an increase of \$250,000 over the 2018 projected budget. The proposed interest income for 2019 is \$465,000, which is an increase of \$200,000 over the 2018 budget and an increase of \$80,000 over the 2018 projected budget. In 2017, real estate taxes totaled \$262,000. In 2018, taxes received through August total \$279,000.

The total proposed revenue for 2019 is \$75.4 million, which is an increase of \$2.3 million over the 2018 budget. This is due to a \$1 million increase in projected grants for Children and Youth Services and the Community Development Block Grant. As well as a \$1.3 million increase in departmental revenue from the interconnectivity fees in 911 Emergency Communications.

B. Expenditure Summary

Total expenditures for the requested General Fund and Special Revenue Funds are \$70.9 million, which is an increase of \$5.4 million over the 2018 budget expenditures and an increase of \$6.2 million over the 2018 projected expenditures. The 2019

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expenditure requests received would result in a \$3.9 million deficit. The major increases in the 2019 requested budget were to salaries, retirement, and purchased services.

Salaries total \$24,497,645, which is an increase of 842,822 over the 2018 budget. This includes increased overtime, position upgrades, and new position requests. Tom used a two percent step increase to calculate salaries.

Retirement totals \$2,462,302, which is an increase of \$611,029 over the 2018 budget.

Purchased services total \$29,737,312, which is an increase of \$3,156,972 over the 2018 budget. Tom explained that the increases are primarily purchased client services for Children and Youth, Community Development Block Grant, and the 911 interconnectivity project.

Tom reviewed the historical total expenditures for all funds.

2016 Actual	2017 Actual	2018 Budget	2019 Requested
\$31,323,518	\$32,673,618	\$34,907,582	\$37,244,940

He then provided an analysis for potential salary increases, two (2) percent would total \$24,914,000; two and a half (2.5) percent would total \$25,012,000; and three (3) percent would total \$25,111,000. Requests were received for 77 position upgrades or additional step increases and five new positions: Public Defender – Assistant Public Defender, District Attorney – County Detective, MDJ Office – Part Time Court Secretary, Probation – Department Clerk, and Prothonotary – Department Clerk 2.

C. Review

The recommended areas of review are property tax and interest revenue projections, health insurance and retirement expense projections, capital requests in departmental budgets, out of county inmate revenue, and the following departments: Correctional Facility, 911 Emergency Communications, Court Administration, Public Defender, District Attorney, Probation, Children and Youth, Sheriff, Facilities Management, and Magisterial District Judges Offices.

III. QUESTIONS FROM THE PRESS

- IV. On a motion by Commissioner Higgins, seconded by Commissioner Dershem, the Board voted to adjourn the meeting at 10:46 AM.

ATTEST:

Margaret N. Gray
Administrator